APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/702,088	11/05/2003	Robert P. Madill JR.	5053-64000	8024

35690   7590   09/02/2008
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RAPILLO, KRISTINE K

ART UNIT	PAPER NUMBER
3626	

MAIL DATE	DELIVERY MODE
09/02/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)
Office Action Summary	10/702,088	MADILL ET AL.
	Examiner	Art Unit	
	KRISTINE K. RAPILLO	3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>04 June 2008</u>.
2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.
3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>1-164</u> is/are pending in the application.
     4a) Of the above claim(s) <u>2,3,7,8,15,22,23,38,43,44 and 66-157</u> is/are withdrawn from consideration.
5)☐ Claim(s) _____ is/are allowed.
6)☒ Claim(s) <u>1,4-6,9-14,16-21,24-37,39-42,45-65 and 158-164</u> is/are rejected.
7)☐ Claim(s) _____ is/are objected to.
8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.
10)☒ The drawing(s) filed on <u>05 November 2003</u> is/are: a)☒ accepted or b)☐ objected to by the Examiner.
     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
     a)☐ All   b)☐ Some * c)☐ None of:
       1.☐ Certified copies of the priority documents have been received.
       2.☐ Certified copies of the priority documents have been received in Application No. _____.
       3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
     * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date <u>12/7/2007; 6/6/2008</u>.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____ .

DETAILED ACTION

Notice to Applicant

1.   This communication is in response to the amendment submitted June 4, 2008. Claims 1, 4 – 5,

13 – 14, 17 – 18, 24 – 25, 39, 42, 46 – 54, and 62 – 65 are amended. Claims 2 – 3, 7 – 8, 15, 22 – 23,

38, and 43 – 44 are cancelled. Claims 158 – 165 are new. Claims 66 – 157 were previously cancelled.

Claims 1, 4 – 6, 9 – 14, 16 – 21, 24 – 37, 29 – 42, 45 – 65, and 158 – 164 are presented for examination.

Drawings

2.   The objections to the drawings are hereby withdrawn based on the amendment submitted June 4,

2008.

Specification

3.   The objection to the specification is hereby withdrawn based on the amendment submitted June

4, 2008.

Claim Rejections - 35 USC § 112

4.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly
> claiming the subject matter which the applicant regards as his invention.

5.   Claim 158 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to

particularly point out and distinctly claim the subject matter which applicant regards as the invention. The

phrase "unusual or difficult" is vague and indefinite. For the purpose of this examination, the Examiner

interprets this phrase to be any type of a reported insurance claim loss (i.e. stolen car, broken leg).

Claim Rejections - 35 USC § 102

6.   The 35 USC 102 (e) objections to claims 3 – 5, 7, 13- 15, 20 – 21, 23 – 24, 29 – 31, 42 – 47, 50,

and 53 - 65 are hereby withdrawn based on the amendment submitted June 4, 2008.

Claim Rejections - 35 USC § 103

7.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness

rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as
> set forth in section 102 of this title, if the differences between the subject matter sought to be
> patented and the prior art are such that the subject matter as a whole would have been obvious
> at the time the invention was made to a person having ordinary skill in the art to which said
> subject matter pertains. Patentability shall not be negatived by the manner in which the invention
> was made.

8.   This application currently names joint inventors. In considering patentability of the claims under

35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly

owned at the time any inventions covered therein were made absent any evidence to the contrary.

Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of

each claim that was not commonly owned at the time a later invention was made in order for the

examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior

art under 35 U.S.C. 103(a).

9.   Claims 1 – 2, 6, 8 – 12, 16 – 19, 22, 25 – 27, 39 – 41, 48 – 49, 51 – 52, 158 - 159, and 161 are

rejected under 35 U.S.C. 103(a) as being unpatentable over Torres, herein after Torres (U.S. Publication

Number 2005/0043961 A1) in view of Pendleton, herein after Pendleton (U.S. Patent Number 6,253,186).

In regard to claim 1 (Currently Amended), Torres teaches a method, comprising:

- Providing at least one request data element for at least one request to a computer system

  (paragraph [0021]) where a dataset is equated to a data element;

- <u>Applying one or more business rules to the at least one request data element</u> (paragraph [0021], and claim 8) where Torres discloses that rules are applied to a dataset (i.e. insurance claims) determine a score;

- Assessing at least one <u>total</u> fraud potential indicator (paragraph [0021] where Torres discloses a composite score which is a combination of the various datasets) for the at least one request based on <u>at least one of the applied business rules and</u> at least <u>one</u> of (paragraph [0021]):

  - a) at least one comparison of the at least one request data element to a datum in a database (paragraph [0020] and Figure 1); <u>and,</u>

  - b) at least one comparison of the at least one request data element to at least one fraud model (paragraph [0020]); and

Wherein the at least one <u>total</u> fraud potential indicator comprises an estimate of a probability of fraud in the at least one request (paragraphs [0021] and [0042]).

Torres fails to teach a method comprising <u>wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request.</u>

Pendleton teaches a method comprising <u>wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator</u> (column 2, lines 18 – 31 where the Examiner interprets the multiplier as a predefined number or value), <u>wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request</u> (column 2, lines 18 – 31 and column 7, lines 4 - 59).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method comprising <u>wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request</u> as taught by Pendleton, within the method of

Torres, with the motivation of providing a computerized tool to aid in the detection of fraud (column 1,

lines 27 – 45).

In regard to claim 4 (Currently Amended), Torres teaches the method of claim 1.

Torres fails to teach a method wherein the total fraud potential indicator is assigned by adding

together the at least two fraud potential indicators.

Pendleton teaches a method wherein the total fraud potential indicator is assigned by adding together

the at least two fraud potential indicators (column 7, lines 8 – 13).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method wherein the total fraud potential indicator is assigned by adding together

the at least two fraud potential indicators as taught by Pendleton with the motivation of providing a

method, in conjunction with the method taught by Torres, in which a fraud indicator is used to assess the

potential of fraud in a business environment via the use of a computerized system capable of identifying

fraud indicators as compared to indicators in a baseline database (Pendleton: column 2, lines 18 – 25).

In regard to claim 5 (Currently Amended), Torres teaches the method of claim 1.

Torres fails to teach a method wherein the total fraud potential indicator is assigned by averaging at

least two fraud potential indicators.

Pendleton teaches a method wherein the total fraud potential indicator is assigned by averaging at

least two fraud potential indicators (column 7, lines 25 – 28).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of

claim 4, and incorporated herein.

In regard to claim 6 (Original), Torres teaches a method wherein at least one request data element

comprises at least one of: a claimant's name; a witness's name; an insured's name; a medical provider's

name; an involved business's name; an involved business's address; a date of the at least one request; a

date of loss; identification of an involved vehicle; an inception date of a policy; an expiration date of a

policy; an address of a party related to the at least one request; a detail of the loss or an accident leading

to the loss; a detail of an accident; a type of accident; a number of parties involved; a type or degree of

property damage; a type or degree of injuries; a trajectory of vehicles in a vehicle accident; and a location

of an accident (Figure 24).

In regard to claim 9 (Original), Torres teaches the method of claim 1, wherein the at least one

comparison of at least one request data element to at least one fraud model comprises determining if at

least one request data element approximately matches at least one fraud model (paragraph [0021]).

In regard to claim 10 (Original), Torres teaches the method of claim 1, wherein the at least one

comparison of at least one request data element to at least one fraud model comprises assigning a fraud

potential indicator based on the nearness of an approximate match of a fraud model to at least one

request data element (paragraph [0021]).

In regard to claim 11 (Original), Torres teaches the method of claim 1, wherein assessing at least one

fraud potential indicator comprises determining if at least one request data element approximately

matches at least one fraud model, and assessing at least one fraud potential indicator based on which

request data element is approximately matched (paragraph [0021]).

In regard to claim 12 (Original), Torres teaches the method of claim 1, wherein assessing at least one

fraud potential indicator comprises determining if at least one request data element approximately

matches at least a portion of a data element in a database (paragraph [0021]).

In regard to claim 13 (Currently Amended), Torres teaches the method of claim 1, including a total

fraud potential indicator (paragraph [0021]).

Torres fails to teach a method further comprising referring the at least one request for review if at

least one total fraud potential indicator exceeds a threshold value.

Pendleton teaches a method further comprising referring the at least one request for review if at least one total fraud potential indicator exceeds a threshold value (column 7, lines 35 – 41).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 14 (Currently Amended), Torres teaches the method of claim 13, including a total fraud potential indicator (paragraph [0021]).

Torres fails to teach a method wherein the threshold value is adjusted to control the number of requests with at least one total fraud potential indicator exceeding the threshold value.

Pendleton teaches a method wherein the threshold value is adjusted to control the number of requests with at least one total fraud potential indicator exceeding the threshold value (column 7, lines 41 – 44).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 16 (Original), Torres teaches a method as per claim 1, wherein at least one fraud model is based on at least one historical fraud pattern.

In regard to claim 17 (Currently Amended), Torres teaches the method of claim 1, wherein at least one total fraud potential indicator comprises at least one of: a numerical indicator; a ranking; and a pass/fail indicator (paragraphs [0021] and [0043]). Torres teaches a scoring and classification model using various databases.

In regard to 18 (Currently Amended), Torres teaches the method of claim 1, wherein assessing the at least one total fraud potential indicator includes determining an absence of fraud in a request (paragraphs [0021] and [0041]).

In regard to 19 (Original), Torres teaches the method of claim 1, further comprising assessing the probability of fraud in at least two requests, wherein the at least two requests are ranked in order of potential for fraud in each request (paragraph [0043]).

In regard to 20 (Original), Torres teaches the method of claim 1.

Torres fails to teach a method wherein the at least one comparison of at least one request data element to a datum in a database comprises comparing at least one request data element to a watch list database, wherein the watch list database comprises at least one specified data element specified by an entity.

Pendleton teaches a method wherein the at least one comparison of at least one request data element to a datum in a database comprises comparing at least one request data element to a watch list database, wherein the watch list database comprises at least one specified data element specified by an entity (column 8, lines 10 – 13).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein the at least one comparison of at least one request data element to a datum in a database comprises comparing at least one request data element to a watch list database, wherein the watch list database comprises at least one specified data element specified by an entity as taught by Pendleton with the motivation of ensuring any claims submitted are not fraudulent by analyzing the number of claims submitted within certain time periods (Pendleton: column 1, lines 19 - 22) and comparing these claims to a database of fraud indicators as taught in the method by Torres

In regard to 21 (Original), Torres teaches the method of claim 20.

Torres fails to teach a method wherein the entity is notified if at least one request data element matches at least one specified element in the watch list.

Pendleton teaches a method wherein the entity is notified if at least one request data element matches at least one specified element in the watch list (column 8, lines 10 – 13).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein the entity is notified if at least one request data element matches at least one specified element in the watch list as taught by Pendleton with the motivation of providing information, as taught by the method of Torres, to the pertinent parties regarding the status of specific claims stored in a fraud indicator database (Pendleton: column 2, lines 33 – 36).

In regard to 24 (Currently Amended), Torres teaches the method of claim <u>1</u>.

Torres fails to teach a method wherein <u>a</u> multiplier value <u>for at least one fraud potential indicator comprises</u> a ranking multiplied by a point weight multiplied by an adjustment number.

Pendleton Jr. teaches a method wherein a multiplier value for at least one fraud potential indicator comprises a ranking multiplied by a point weight multiplied by an adjustment number (column 7, lines 32 – 35).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein a multiplier value for at least one fraud potential indicator comprises a ranking multiplied by a point weight multiplied by an adjustment number as taught by Pendleton with the motivation of generating a fraud indicator value (Pendleton: Figure 7, and column 7, lines 23 – 25).

In regard to 25 (Currently Amended), Torres teaches the method of claim 1, further comprising: reassessing the at least one request data element for the at least one request (paragraph [0021]); and updating the at least one <u>total</u> fraud potential indicator for the at least one request based on the reassessment (paragraph [0021]).

In regard to 26 (Original), Torres teaches the method of claim 1, wherein the database comprises at least one of: an insurance industry database; a commercial mailbox database; a company historical request database; a special investigation unit database; a sanctioned medical provider's database; and a

custom watch list database (paragraph [0043]).   The Examiner has interpreted government threat and

known threat databases to be custom watch databases.

In regard to 27 (Original), Torres teaches the method of claim 1, wherein the at least one fraud model

comprises a suspicious relationship between parties involved in an accident (paragraph [0049] and Figure

9).

In regard to claim 29 (Original), Torres teaches the method of claim 1, wherein at least one business

rule compares a date of report of a loss and a date of the loss (Figure 1, 6A, and 6B; Paragraph [0021])

where Torres discloses a method where a transaction dataset (i.e. report of a loss) is compared to

second transaction dataset (i.e. date of loss).

In regard to claim 30 (Original), Torres teaches the method of claim 1, wherein at least one business

rule compares a date of a reported loss and a date of inception of an insurance policy (Figure 2;

Paragraphs [0021] and [0040]) where Torres discloses a method where a transaction dataset (i.e. report

of a loss) is compared to second transaction dataset (i.e. date of inception of an insurance policy).

In regard to claim 31 (Original), Torres teaches the method of claim 1, wherein at least one business

rule compares a date of a reported loss and a date of expiration of an insurance policy (Paragraph [0021])

where Torres discloses a method where a transaction dataset (i.e. report of a loss) is compared to

second transaction dataset (i.e. expiration of an insurance policy).

In regard to 39 (Currently Amended), Torres teaches the method of claim 1, wherein assessing at

least one total fraud potential indicator is based on an identity verification engine to verify the identification

of at least one data request element (paragraphs [0020] and [0021]).

In regard to 40 (Original), Torres teaches the method of claim 39, wherein at least one data request element verified includes an insured, a claimant, a doctor, a lawyer, or an involved business (paragraph [0043] and Figure 9).

In regard to 41 (Original), Torres teaches the method of claim 39, wherein at least one of a public record and a bill is used to verify the identification of at least one request data element (paragraph [0020]).

In regard to 42 (Currently Amended), Torres teaches a computer system, which utilizes the method of claim 1, comprising:

- wherein at least one computer program is executable to:
    - Provide at least one request data element for at least one request to the computer system (paragraph [0021]);
    - Applying one or more business rules to the at least one request data element (paragraph [0021] and claim 8);
    - Assess at least one fraud potential indicator for the at least one request based on at least two of (paragraph [0021]): and,
    - a) at least one comparison of the at least one request data element to data in a database(paragraph [0020] and Figure 1);
    - b) at least one comparison of the at least one request data element to at least one fraud model (paragraph [0020]);

Wherein the at least one total fraud potential indicator comprises an estimate of a probability of fraud in a request (paragraphs [0021] and [0042]).

Torres fails to teach a CPU, and a memory coupled to the CPU, wherein the memory is configured to store at least one computer program executable by the CPU and a computer system wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the

loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request.

Pendleton teaches a CPU (Figure 24), and a memory coupled to the CPU, wherein the memory is configured to store at least one computer program executable by the CPU (Figure 24) and a computer system wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator column 2, lines 18 – 31) wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request (column 2, lines 18 – 31 and column 7, lines 4 – 59).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to 45 (Original), Torres teaches the system of claim 42, wherein at least one comparison of the at least one request data element to the at least one fraud model comprises determining if the at least one request data element approximately matches the at least one fraud model (paragraph [0021]).

In regard to 46 (Currently Amended), Torres teaches the system of claim 42, wherein assessing the at least one total fraud potential indicator comprises determining if the at least one request data element approximately matches at least a portion of a data element in a database (paragraph [0021]).

In regard to 47 (Currently Amended), Torres teaches the system of claim 42, including a total fraud potential indicator (paragraph [0021]).

Torres fails to teach a system wherein the computer program is further executable to refer the at least one request for review if at least one total fraud potential indicator exceeds a threshold value.

Pendleton teaches a system wherein the computer program is further executable to refer the at least one request for review if at least one total fraud potential indicator exceeds a threshold value (column 7, lines 41 – 44 and lines 50 – 53).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to 48 (Currently Amended), Torres teaches a computer readable medium comprising program instructions, wherein the program instructions are computer-executable to implement a method comprising:

- Providing at least one request data element for at least one request to a computer system (paragraphs [0021] and [0038]);

- Applying one or more business rules to the at least one request data element (paragraph [0021]);

- Assessing at least one total fraud potential indicator for the at least one request based on at least one of the applied business rules and at least one of (paragraphs [0021] and [0038]):

    o   a) at least one comparison of the at least one request data element to data in a database (paragraphs [0020], [0038], and Figure 1); and,

    o   b) at least one comparison of the at least one request data element to at least one fraud model (paragraphs [0020] and [0038]); and

Wherein the at least one total fraud potential indicator comprises an estimate of a probability of fraud in the at least one request (paragraphs [0021] and [0038]).

Torres fails to teach a computer readable medium wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request.

Pendleton teaches a computer readable medium comprising wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator (column 2, lines 18 – 31 where the Examiner interprets the multiplier as a predefined number or value), wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request (column 2, lines 18 – 31 and column 7, lines 4 - 59).

The motivation to combine the teachings of Pendleton and Torres is discussed in the rejection of

claim 1, and incorporated herein.

In regard to 49 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 48,

wherein the at least one request comprises at least one of: a check; an insurance claim; and a loan

(paragraph [0042]).

In regard to 50 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 48,

further comprising assessing a total fraud potential indicator of at least one request from at least two fraud

potential indicators (paragraph [0021]). Torres disclosed the claimed invention with the exception of "two

fraud potential indicators". It would have been obvious to one having ordinary skill in the art at the time

the invention was made to use two fraud potential indicators, since it has been held that mere duplication

of the essential working parts of a device involves only routine skill in the art. *St Regis Paper Co. v.*

Bemis Co., 193 USPQ 8.

In regard to 51 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 48,

wherein at least one comparison of the at least one request data element to the at least one fraud model

comprises determining if the at least one request data element approximately matches the at least one

fraud model (paragraph [0021]).

In regard to 52 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 48,

wherein assessing at least one second fraud potential indicator comprises determining if the at least one

request data element approximately matches at least a portion of a data element in a database

(paragraph [0021]).

In regard to 53 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 48.

Torres fails to teach a computer readable medium further comprising referring the at least one request for further review if at least one fraud potential indicator exceeds a threshold value.

Pendleton teaches a computer readable medium further comprising referring the at least one request for further review if at least one fraud potential indicator exceeds a threshold value (column 7, lines 41 – 44 and lines 50 – 53).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to 54 (Currently Amended), Torres teaches a method, comprising: applying one or more business rules to the at least one request data element (paragraph [0021]) and assessing at least one fraud potential indicator for the plurality of insurance claims using at least one fraud potential detection technique (paragraph [0042]).

Torres fails to teach a method wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request and defining a minimum referral fraud potential indicator such that a desired quantity of requests are referred.

Pendleton teaches a method wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator (column 2, lines 18 – 31), wherein the value of the loss type multiplier depends on a tendency for fraud associated with a request type of the at least one request (column 2, lines 18 - 31 and column 7, lines 4 - 59) and defining a minimum referral fraud potential indicator such that a desired quantity of requests are referred (column 2, lines 26 – 31).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein at least of the one business rules applies a loss type multiplier based on at least one loss type associated with the at least one request to determine a fraud potential indicator, wherein the value of the loss type multiplier depends on a tendency for fraud associated with a

request type of the at least one request and defining a minimum referral fraud potential indicator such that a desired quantity of requests are referred as taught by Pendleton with the motivation of providing a computerized program with rule engines designed to calculate statistics only if a certain number of claims are made (Pendleton: column 8, lines 49 – 65).

In regard to 55 (Original), Torres teaches the method of claim 54.

Torres fails to teach a method further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referrals for further review.

Pendleton teaches a method further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referrals for further review (column 2, lines 37 – 48).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referrals for further review as taught by Pendleton, and applied to the method of Torres, with the motivation of notifying or reporting claims which have been analyzed using fraud potential indicators to indicate the potential to commit an act of fraud and further claim review is required (column 8, lines 19 – 31).

In regard to 56 (Original), Torres teaches the method of claim 54.

Torres fails to teach a method wherein the minimum referral fraud potential indicator comprises a fraud potential indicator that results in a referral of at least one request for further review.

Pendleton teaches a method wherein the minimum referral fraud potential indicator comprises a fraud potential indicator that results in a referral of at least one request for further review (column 8, lines 19 – 31).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 55, and incorporated herein.

In regard to 57 (Original), Torres teaches the method of claim 54, wherein at least one fraud potential detection technique comprises predictive modeling (paragraph [0044]).

In regard to 58 (Original), Torres teaches the method of claim 54, wherein at least one fraud potential detection technique comprises predictive modeling, and wherein assessing a probability of fraud using predictive modeling comprises assessing at least one fraud potential indicator based on at least one comparison of at least one request data element to at least one fraud model (paragraph [0021]).

In regard to 59 (Original), Torres teaches the method of claim 54, wherein at least one fraud potential detection technique comprises identity searching (paragraph [0022]).

In regard to 60 (Original), Torres teaches the method of claim 54, wherein at least one fraud potential detection technique comprises identity searching of insurance data, and wherein assessing the probability of fraud using identity search of insurance data comprises assessing at least one fraud potential indicator based on at least one comparison of at least one request data element to additional insurance data (paragraph [0040]).

In regard to 61 (Original), Torres teaches the method of claim 54, wherein at least one fraud potential detection technique comprises assessing request data for fraud from at least one business rule (paragraph [0021]).

In regard to 62 (Currently Amended), Torres teaches a system, comprising: <u>applying one or more</u> <u>business rules to the at least one request data element</u> (paragraph [0021]); wherein at least one computer program is executable to assess fraud potential indicators for a plurality of requests using at least one fraud potential detection technique (paragraph [0042]).

Torres fails to teach a CPU, a memory coupled to the CPU, wherein the memory is configured to store at least one computer program executable by the CPU, <u>wherein at least of the one business rules</u> <u>applies a loss type multiplier based on at least one loss type associated with the at least one request to</u> <u>determine a fraud potential indicator</u> (column 2, lines 18 – 31), <u>wherein the value of the loss type</u> <u>multiplier depends on a tendency for fraud associated with a request type of the at least one request</u> (column 2, lines 18 – 31 and column 7, lines 4 – 59); and a system to establish a minimum referral fraud potential indicator such that a desired quantity of requests are referred.

Pendleton teaches a CPU (Figure 24), a memory coupled to the CPU, wherein the memory is configured to store at least one computer program executable by the CPU (Figure 24), and a system to establish a minimum referral fraud potential indicator such that a desired quantity of requests are referred (column 8, lines 7 – 31).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to 63 (Original), Torres teaches the system of claim 62.

Torres fails to teach a system wherein the computer program is further executable to modify a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referral of requests for further review.

Pendleton teaches a system wherein the computer program is further executable to modify a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referral of requests for further review (column 8, lines 19 – 31).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 55, and incorporated herein.

In regard to 64 (Currently Amended), Torres teaches assessing a fraud potential indicator for a plurality of requests using at least one fraud potential detection technique (paragraph [0042]).

Torres fails to teach a <u>computer readable</u> medium comprising program instructions wherein the program instructions are computer-executable to implement a method comprising establishing a minimum referral fraud potential indicator such that a desired quantity of requests are referred.

Pendleton teaches a computer readable medium comprising program instructions wherein the program instructions are computer-executable (column 13, lines 23 – 25) to implement a method comprising establishing a minimum referral fraud potential indicator such that a desired quantity of requests are referred (column 8, lines 19 - 31).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 54, and incorporated herein.

In regard to 65 (Currently Amended), Torres teaches the <u>computer readable</u> medium of claim 64.

Torres fails to teach a computer readable medium further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referral of requests for further review.

Pendleton teaches a computer readable medium further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referral of requests for further review (column 8, lines 7 – 31).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 55, and incorporated herein.

In regard to claim 158 (New), Torres teaches the method of claim 1, wherein the value of the loss type multiplier is larger for requests that are unusual or difficult to verify (paragraphs [0022] and [0043]; claims 1, 3, and 9) where Torres discloses verification of data sets.

In regard to claim 159 (New), Torres teaches the method of claim 1. Torres fails to teach a method wherein the loss type multiplier comprises the sum of loss type multiplier for two or more loss types associated with the at least one request.

Pendleton teaches a method wherein the loss type multiplier comprises the sum of loss type multiplier for two or more loss types associated with the at least one request (Figure 7 - Composite Fraud Indication and Figure 14; column 2, lines 18 – 26) where Pendleton discloses computing a composite of fraud indicators.

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 161 (New), Torres teaches the method of claim 1. Torres fails to teach a method wherein applying at least one loss type multiplier comprises multiplying at least one loss type value by a number of matches for the request.

Pendleton teaches a method wherein applying at least one loss type multiplier comprises multiplying at least one loss type value by a number of matches for the request (Figure 20; column 5, line 33 through column 6, line 3).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

10.   Claims 28, 160, and 162 – 164 are rejected under 35 U.S.C. 103(a) as being unpatentable over Torres in view of Pendleton as applied to claim 1 above, and further in view of Forman (U.S. Patent Number 6,826,536).

In regard to claims 28 (Original), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein at least one business rule is used to assess a probability of fraud based on the details of an accident.

Forman teaches a method wherein at least one business rule is used to assess a probability of fraud based on the details of an accident (column 12, lines 47 – 65 and column 14, lines 58 – 67) where Forman discloses a fraud indicator trigger which analyzes the insurance claims based upon injuries received as a result of an accident, as well as treatment by the same physician.

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 160 (New), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein the loss type multiplier comprises at the least negative value wherein the negative value is associated with a contra-indication of fraud for a loss type associated with the at least one request.

Forman teaches a method wherein the loss type multiplier comprises at the least negative value wherein the negative value is associated with a contra-indication of fraud for a loss type associated with the at least one request (column 14, lines 24 – 32) where Forman teaches a fraud trigger flag which indicates increased risk. A negative value is interpreted as a pre-determined value to determine the probability of fraud.

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 162 (New), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method further comprising applying one or more business rules to the at least one request data element; wherein at least of the one business rules applies an injury type multiplier based on at least one injury type associated with the at least one request to determine a fraud potential

indicator, wherein the value of the injury type multiplier depends on a tendency for fraud associated with at least one injury type associated with the at least one request.

Forman teaches a method further comprising applying one or more business rules to the at least one request data element; wherein at least of the one business rules applies an injury type multiplier based on at least one injury type associated with the at least one request to determine a fraud potential indicator, wherein the value of the injury type multiplier depends on a tendency for fraud associated with at least one injury type associated with the at least one request (column 10, lines 33 – 38) where Forman teaches a fraud trigger that examines multiple claims, such as injuries, diagnosed by a specific provider.

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 163 (New), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein the injury type multiplier comprises the sum of injury type multipliers for two or more injury types associated with the at least one request.

Forman teaches a method wherein the injury type multiplier comprises the sum of injury type multipliers for two or more injury types associated with the at least one request (column 10, lines 16 – 38).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 164 (New), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein the injury type multiplier comprises at least one negative value, wherein the negative value is associated with a contra-indication of fraud for an injury type associated with the at least one request.

Forman teaches a method wherein the injury type multiplier comprises at least one negative value, wherein the negative value is associated with a contra-indication of fraud for an injury type associated with the at least one request (column 14, lines 24 – 32).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

Response to Arguments

11.   Applicant's arguments filed June 4, 2008 have been fully considered but they are not persuasive. Applicant's arguments will be addressed herein below in the order in which they appear in the response filed June 4, 2008.

In response to Applicant argument, it is respectfully submitted that the Examiner has applied new prior art to amended claims 1, 4 – 5, 13 – 14, 17 – 18, 24 – 25, 39, 42, 46 – 54, and 62 – 65 and new claims 159 – 164 at the present time. The Examiner notes that the amended limitations were not in the previously pending claims as such, Applicant's remarks with regard to the application of Torres and Pendleton references to the amended limitations are moot in light of the addition of the Forman reference.

Conclusion

12.   Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to KRISTINE K. RAPILLO whose telephone number is (571)270-3325. The examiner can normally be reached on Monday to Thursday 6:30 am to 4 pm Eastern Time.

        If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Luke

Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this

application or proceeding is assigned is 571-273-8300.

        Information regarding the status of an application may be obtained from the Patent Application

Information Retrieval (PAIR) system. Status information for published applications may be obtained from

either Private PAIR or Public PAIR. Status information for unpublished applications is available through

Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC)

at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative

or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-

1000.

KKR

/C Luke Gilligan/
Supervisory Patent Examiner, Art Unit 3626